



# MOSSEL BAY GOLF ESTATE HOME OWNERS ASSOCIATION

Association incorporated under section 21 of the Companies Act 1973 (as amended)

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All Home Owners  
Mossel Bay Golf Estate Home Owners Association  
MOSSEL BAY

Dear Home Owner

## RELATIONSHIP BETWEEN MOSSEL BAY GOLF ESTATE HOME OWNER'S ASSOCIATION AND MOSSEL BAY GOLF CLUB

After years of being challenged by the Mossel Bay Golf Estate Home Owner's Association (HOA), the Club's Board and the HOA Board have now reached consensus in respect of HOA members ostensibly receiving a discount when upgrading their Golf Club membership, as well as the status of the HOA representative on the Board of the Club.

1. The Board of the Golf Club acknowledged that HOA members do not receive any discount from the Club as they pay the same fees as any other member of the Club in a particular category. All future communication from the Club pertaining to this matter will be aligned to this decision.

It is unquestionable that the Home Owners Association currently pay (via Status Mark) the Club R2 160 per annum in respect of a Home Owner Association (HOA) membership on behalf of every Home Owner Association member.

Clause 8.2 of the Co-operation agreement states that:

"For the avoidance of doubt, it is agreed that a person with a HOA membership shall not be liable for any additional membership fees or special levies apart from standard green fees and other affiliation and card costs, unless the membership is upgraded in terms of Clause 8.5. For purposes of this agreement the value of an HOA membership will be equal to the annual membership fees divided by the number of housing units or erven on the Mossel Bay Golf Estate (being 393 on signature date)."

Clause 8.5 of the Co-operation agreement states that:

"HOA membership may be upgraded to any dearer membership of the Club by payment by the nominated member of the difference between the value of the HOA membership as calculated in terms of Clause 8.2 above and the then ruling membership fee in respect of that particular class of member of the Club"

The aforesaid should be read in conjunction with Clause 11.12 of the Constitution of the Mossel Bay Golf Club, namely that:

"The Club shall allow each sectional title unit or erf in Mossel Bay Golf Estate one HOA golf club membership....."

“HOA members are persons who own property on the Mossel Bay Golf Estate and who have applied for such membership and have paid the prescribed fees for HOA members.

*HOA members:*

1. *Do not pay entrance fees*
2. *Can play on Sundays, Mondays and Tuesdays against payment of member’s playing fees. Should they wish to play golf on any other day, visitors fees shall apply.*
3. *Can upgrade to any other kind of membership after paying the applicable difference in fees.*
4. *Can invite five guests per annum to play golf on any day at the member guest rate.*
5. *Have voting rights as contained in clause 23 (6) (j) (three votes).*
6. *Cannot make use of reciprocity benefits that Mossel Golf Club might have with other clubs.*
7. *This membership is limited to one membership per property.*

Unfortunately, previous communication pertaining to the amount that an HOA member, joining the Club and or upgrading membership must pay, may have created some confusion. The table hereunder reflect examples of the payment required for members joining the Club or renewing their membership for the period 1 July 2019 until 30 June 2020:

<b>Category</b>	<b>Group</b>	<b>Subs</b>	<b>Capital Fund</b>	<b>Affiliation Fee</b>	<b>Card Fee</b>	<b>Total</b>	<b>HOA pay obo member</b>	<b>HOA member must pay</b>	<b>Number of votes at any poll</b>
Full Member	Nil rounds	R4 850	R300	R500	R200	R5 850	R2 160	R3 690	10
5-Day Member	Nil rounds	R3 400	R300	R500	R200	R4 400	R2 160	R2 240	5
HOA Member - playing golf	Nil rounds	R2 160	R300	R500	R200	R3 160	R2 160	R1 000	3
HOA Member - not playing golf		R2 160	R300	R500	R200	R3 160	R2 160	R1 000	3

An HOA member who has joined the Club and his/her spouse shall be entitled to use the facilities at the Club at the same rates as that applicable to ordinary members of the Club (currently 10% discount at restaurant and bar using their Club card which must have a credit balance).

The holder of an HOA membership at the Club shall also hold 3 (three) votes at the annual general meeting and at any other general meeting of members of the Club. It is recorded that any members that have upgraded membership shall hold the number of votes applicable to the category of membership they have joined.

As stated in a recent communication, members of the HOA are encouraged to take-up this membership with the Golf Club.

2. The lack of treating the designated representative of the HOA as a Board member of the Golf Club contravened Clause 15.1 of the Constitution of the Mossel Bay Golf Club, which states that:

“The Board shall consist of:

15.1.1 A President who will also be the Chairman of the Board and six elected members (of whom no more than two may be members of the Mossel Bay Golf Estate Home Owners Association) to head the portfolios of Finance, Facilities, Marketing, Manpower, Golf Course & Ground Management and Captain & Members Affairs...

15.1.2: A nominee of the Municipality of Mossel Bay with full voting rights.

15.1.3 The Chairperson or his designated representative of the Mossel Bay Golf Estate Home Owners Association without voting rights provided he/she is a full member of the Club.”

More importantly this action constituted a material breach on the part of the Club of the current Co-operation Agreement between the HOA and the Club, specifically clauses 9.1, 9.2 and 9.3:

Clause 9.1: “The HOA Board will be entitled to nominate a person of its choice and an alternate to represent the HOA on the Club’s Board.”

Clause 9.2: “The HOA’s representative shall be entitled to be notified of and attend all meetings of the Board of the Club, but such representative shall not have the right to vote at any meeting of the Board.”

Clause 9.3: “The HOA’s representative shall be entitled to report to the HOA Board on any meeting of the Board of the Club and that of any committee or sub-committee of the Club, and the HOA Board or any committee thereof may in turn engage with the nominated sub-committee of the Club in connection with matters on which the representative reported.”

The Board of the Golf Club now accepted that the representative of the HOA will forthwith be dealt with in accordance with the abovesaid clauses as a full Board member (without voting rights).

Considering these positive developments, the HOA Board trusts that it will go a long way in restoring harmony, as well as sound neighbourliness between the Club and the HOA, as well as members.